



July 15, 2004

Chairman Michael Powell
Commissioner Kathleen Q. Abernathy
Commissioner Kevin J. Martin
Commissioner Jonathan S. Adelstein
Commissioner Michael J. Copps
Federal Communications Commission
445 12th St., SW
Washington, DC 20554

RE: MB Docket No. 04-207

Dear Mr. Chairman and Commissioners:

I understand that the Commission is currently considering the impact of government regulations that would require cable operators to offer cable programming on an *a la carte* basis, allowing consumers to pay for channels on an individual rather than a bundled basis. While on its face such an idea may have some appeal, pay-per-channel proposals would in fact severely jeopardize the diversity in cable programming that we enjoy today.

Founded in 1985, the Arab-American Institute is a nonprofit organization committed to the civic and political empowerment of Americans of Arab descent. With over three million Arab-Americans currently residing in the United States, networks such as LBC, ART, Abu Dhabi, MBC, Al Arabiyah and al Jazeera offer programs aimed at Arab-American audiences – news, talk, entertainment, and sports in Arabic and other languages. Not only are these programs a source of information and entertainment, continued diversity in programming is critically important at a time when portraits of Arab-Americans and Arabs generally are painted with such a broad brush. For many, cable television is the only window into different cultures, languages, and styles.

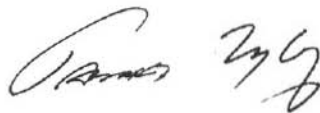
If pay-per-channel requirements were imposed, the cable industry's economic model, which has been responsible for supporting new, niche networks, would no longer be able to provide such a diverse selection of channels. Today, new networks such as ImaginAsianTV, which is set to launch as a basic service in August, are able to obtain start-up capital and sell advertising because, as part of the basic tier of channels, they have access to the widest audience possible. Pay-per-channel pricing will mean that channels with smaller audiences will not have

the necessary revenue streams to continue and only the most popular channels will become available to consumers.

In looking at the issue, the U.S. General Accounting Office concluded in a report last year that diversity in cable programming would suffer if cable *a la carte* was required, pointing out that: "some cable networks, especially small and independent networks would not be able to gain enough subscribers to support the network." As programming aimed at minority communities often attract smaller audiences until they are able to establish a larger following, these programs would likely be the first to suffer under a pay-per-channel regime.

Because diversity in programming will substantially diminish in a pay-per-channel world, I urge the Commission to oppose these proposals as programming for Arab-American audiences is vital to our communities as well as the nation's television viewers.

Sincerely,

A handwritten signature in black ink, appearing to read "James Zogby", followed by a stylized flourish or set of initials.

James Zogby
Founder and President
Arab American Institute